GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:1903
ANSWERED ON:13.03.2007
WORLD BANK REPORT ON TRADE INVESTMENT
Singh Shri Mohan

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether World Bank has made any review in its report for the year 2005-06 regarding conducive environment for trade investment in South- Asian countries, particularly India;

(b) if so, the details thereof;

(c) whether the World Bank has also termed Pakistan as more business friendly country to India for its investment purpose;

(d) if so, the details thereof;

(e) the names of metropolitan cities in India termed as 'more friendly business cities' on the basis of assessment made; and

(f) the steps taken by the Government to provide more facilities to develop remaining cities as business friendly cities?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR)

(a) : Yes, Sir.

(b) : The World Bank has published a report on "Doing Business" in South-Asia for the year 2007. Data in the above report pertain to years 2005-06. Doing Business in South Asia 2007 is third in a series of regional Doing Business reports. "Doing Business" report investigates the scope and manner of regulations that enhance business activity and those that constrain it. New quantitative indicators on business regulations and their enforcement have been compared across 8 countries in the region and overtime, together with global best practices. Doing Business in South Asia builds indicators for 12 cities in India, 6 in Pakistan and 4 in Bangladesh. In all, economies of 8 South Asian Countries, namely, Maldives, Pakistan, Bangladesh, Sri Lanka, Nepal, India, Bhutan and Afghanistan have been studied and ranking has been awarded keeping in view of the ease/ constraints of Doing Business. The World Bank in its report has evaluated the economic performance broadly based on 10 pa rameters. Those parameters are as follows:

1. Starting of business
2. Dealing with licenses
3. Employing workers
4. Registering property
5. Getting credit
6. Protecting investors
7 Paying taxes
8. Trading across borders

9. Enforcing contracts

10. Closing a business

(c): Yes, Sir.

(d): The ranking as published by World Bank of South-Asian Countries is as follows:

Country's Name	Rank
1. Maldives	53
2. Pakistan	74
3. Bangladesh	83
4. Sri Lanka	89
5. Nepal	100
6. India	134
7 Bhutan	138
8. Afghanistan	162

(e) : The World Bank Report has compared the business practices amongst 12 Indian cities and they have been given ranking as listed below:

City	Rank
Hyderabad	1
Banglore	2
Jaipur	3
Chennai	4
Bhuvneswar	5
Lucknow	6
Chandigarh	7
New Delhi	8
Patna	9
Ranchi	10
Mumbai	11
Calcutta	12

(f) : Action to further improve the business environment in various cities has been initiated and measures on various fronts are being taken as elaborated below:

On line registration of companies initiated through MCA-21, on line registration of Employees State Insurance Corporation (ESIC) and Employees Provident Fund

(EPF), obtaining Permanent Account Number (PAN) and Tax Account Number

(TAN) simultaneously through a single source, computerization of offices of Sub- Registrar across States, abolition of Central Sales Tax (CST) by 2010, reduction of documentation in case of import and export are some of the measures being taken to improve business environment in the country.